

USMX

December 2, 1993

RECEIVED

DEC 09 1993

DIVISION OF
OIL, GAS & MINING

Mr. Larry Gore, Geologist
U.S. Department of the Interior
Bureau of Land Management
Dixie Resource Area Office
225 North Bluff Street
St. George, UT 84770

Reference: Request to Abandon Bird Netting on the
3.9 Million Gallon Rinse Water Pond.

Dear Mr. Gore:

During late November 1993, a winter storm at Goldstrike damaged the bird netting over the ponds at Goldstrike. Plant personnel on site, during the storm, spent considerable time shaking the snow off the netting over the pregnant, barren and process ponds and as a result only minor damage occurred to these nets. Repairs to these nets have been initiated.

The netting, however, on the rinse water pond (see attached location map) was completely destroyed. We feel that the netting of this pond was not needed and would like permission to abandon it.

In support of the pond not needing netting, we submit that the pond, since construction, has not and will not ever have cyanide levels that would be harmful to waterfowl. It is generally accepted that at levels below 50 ppm cyanide is innocuous to waterfowl and we have not in the past had levels over 12 ppm free cyanide in the pond.

All water placed in the pond is pumped from the collection sump of pad #1. Leach pad #1 is currently in drain down/rinse mode and has at the current time cyanide values of less than 2 ppm in the drain off solution.

USMX of Utah, Inc.

P.O. Box 2650, St. George, Utah 84770
(801) 574-3164 FAX (801) 574-3269
NASDAQ Symbol - USMX



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

December 13, 1993

Mr. James A. Smith
USMX Utah, Incorporated
P. O. Box 2650
St. George, Utah 84771

Re: Annual Report for the Year 1993

Dear Mr. Smith:

The enclosed annual report form(s) for the mine(s) referenced below should be completed and returned to this office by January 31, 1994.

Mine No.

M/053/005

Mine Name

Goldstrike

This report is required by Rules R647-003-116 and R647-004-121 of the Division's Amended and New Rules, Minerals Reclamation Program, effective December 1, 1988. Although your mine may or may not be active, this report is still required until you have officially been released from all reclamation responsibilities, or the Division formally waives this requirement. Thank you for your cooperation and attention to this matter.

Sincerely,

D. Wayne Hedberg
Permit Supervisor

jb
Enclosure
AR/57



Dixie Resource Area
225 North Bluff Street
St. George, Utah 84770
(801) 673-4654

3809
UTU-68572
(UT-045)

December 17, 1993

James Smith
USMX of Utah, Inc.
P.O. Box 2650
St. George, UT 84771

RECEIVED

JAN 04 1994

DIVISION OF
OIL, GAS & MINING

Dear Mr. Smith:

We have reviewed your proposal concerning the waterfowl netting on the Leach Pad #1 Rinse Pond. After discussing your proposal with representatives of Utah Division of Oil, Gas, and Mining and Utah Division of Wildlife Resources (DWR), we agree that netting is not required. However, the following items must be implemented:

Any solution in the pond must be tested weekly for cyanide concentration. The results of these tests must be submitted to BLM monthly.

The pond must be fenced to prevent the entry of wildlife.

The ponds should be checked periodically and any waterfowl noted must be chased off.

If any wildlife mortality occurs, it must be reported immediately to the Dixie RA and DWR.

If any mortality occurs, we will re-examine the requirement for netting.

This proposal should not require any modification to the existing EA, as it is not a surface disturbing activity and it is covered under a categorical exclusion.

We agree in general terms with your proposal to re-route the access road. Before we can authorize this work we need the following:

A detailed engineering plan for the new road indicating locations and heights of cuts, fills, etc. and the locations and sizing of culverts.

A diagram indicating what work is proposed in the winding canyon. This will need to indicate where the road will be widened or straightened, the size of the drainage ditch, location and size of culverts, and all stabilization

M/053/005

292
12-17-93

structures in the drainage ditch.

A hydrologic study indicating how the proposed work in the winding canyon will affect sedimentation in the East Fork.

A supplement to the EA describing the impacts of this road.

We will be coordinating with UDOGM, DWR and the Washington County Commission on the approval for this road.

If you have any questions concerning what information we need, please contact Larry Gore of this office.

Sincerely,

Debbie J. Pietrzak
Area Manager



USMX GOLDSTRIKE MINE
RINSE WATER POND
LOCATION MAP